



MEETING MINUTES

SOUTHWESTERN TRAVIS COUNTY GROUNDWATER CONSERVATION DISTRICT BOARD OF DIRECTORS

Regular Monthly Meeting

Wednesday, September 10, 2025, at 9:30 AM

A quorum of the Southwestern Travis County Groundwater Conservation District Board of Directors held a regular monthly board meeting and public hearings on Wednesday, September 10, 2025, at 9:30 a.m. at the District's office at 8656 W. Highway 71, Building A, Suite 224, Austin, Texas 78735. The meeting was open to the public and a videoconference remote participation option was provided; instructions for accessing the remote videoconference were provided with the Public Notice of Meeting.

1. **Call to order, declare meeting open to the public, take roll and declare quorum status**

President Scadden called the public meeting to order at 9:30 a.m. on Wednesday, September 10, 2025. Four directors were present at the meeting constituting a quorum, including President Scadden, Director Phillips, Director Urie, and Director Van Ackeren. Also present were General Manager Lane Cockrell, District Administrative and Hydrogeology Assistant Barbara Reyes, Cole Ruiz with Lloyd Gosselink, Eddie McCarthy with McCarthy & McCarthy, LLP on behalf of Clancy Utility Holdings, LLC, Jo Karr Tedder with Central Texas Water Coalition, Lyle Williams and Alex Thompson with Bee Cave Drilling, and Rebecca Smyth, hydrogeologist with Travis County. The following individuals participated remotely by videoconference call: Audrey Cooper with Lloyd Gosselink, Archie Montemayor with Montemayor Britton Bender Carey, P.C., Danna Oakes on behalf of Cypress Ranch WCID No. 1, Jerry Blocher, Todd Potter, Ed McCarthy and Sydney Christman with McCarthy & McCarthy, LLP, and CJ Bennett with Bullock, Bennett & Associates, LLC.

2. **Announcements**

No announcements were presented.

3. **Public Comments**

No public comments were presented under this agenda item.

4. **Consent Agenda**

A motion was made by Director Van Ackeren to approve all four items under the consent agenda (listed below). Motion seconded by Director Urie. Motion carried 4 Ayes – 0 Nays – 3 Absent.

- a. **Approve Minutes of July 9, 2025 Regular Board Meeting**
- b. **Approve Minutes of July 14, 2025 Special Board Meeting**
- c. **Approve July 2025 Financial Report**
- d. **Approve August 2025 Financial Report**

5. **Public Hearings**

a. Public Hearing on Proposed Amendments to District Rules

President Scadden reconvened the public hearing on proposed amendments to the District Rules at 9:53 a.m., with a quorum of four directors present. He noted the hearing was first opened on July 9, 2025, and postponed action to allow staff time to revise the amendments based on feedback.

General Manager Cockrell presented the revisions, including: definition of “recreational use” was revised to include language from the District’s general counsel with reference added to Texas Water Code § 36.113(d)(5); clarification that exempt wells may be required to install mechanical flow restrictors to ensure production remains within exemption limits; a reduction of proposed annual production limits for NDU and Limited Production General Permits from 500,000 to 250,000 gallons, with metering and annual reporting required; revised requirements for reduced property line setbacks, including notifying neighboring landowners by certified mail when reduced setbacks are requested, a prohibition on reduced setbacks for properties subdivided after rule adoption, and a requirement for applicable wells to demonstrate compliance with Travis County’s minimum lot size for groundwater use; allowance for Board consideration of alternatives where the current 36-inch stick-up requirement for wells in flood prone areas is impractical; and drought management provisions allowing permittees committing to indoor use only to qualify for exemption from mandatory curtailments, while limiting new non-exempt wells and operating permit applications during D-3 and D-4 drought stages, except where public health and safety require. He also noted receipt of written comments from McCarthy & McCarthy, LLP.

Public comments were then received. Eddie McCarthy (McCarthy & McCarthy, LLP) opposed the revised definition of “recreational use” and restrictions on amenity pond construction, and raised legal concerns that a permit moratorium could constitute a “taking.” Alex Thompson (Bee Cave Drilling) requested clarification of inspection procedures for meters and flow restrictors, raised concerns about inconsistent floodplain maps, and suggested the District designate an official map. CJ Bennett (Bullock, Bennett & Associates, LLC) observed that commonly available flow restrictors are designed in 5 GPM increments, which may complicate enforcement of the District’s 7 GPM limit. Mr. Thompson responded that his firm had no trouble obtaining 7 GPM flow restrictors.

With no further public comments, President Scadden adjourned the hearing at 10:23 a.m.

b. Public Hearing on Amended Budget for Fiscal Year 2025

President Scadden opened the public hearing on proposed amendments to the FY 2025 budget at 10:41 a.m. A quorum of four directors was present. General Manager Cockrell presented proposed line-item amendments based on actual values through August 2025 and projections for September 2025, noting that the revisions are intended to provide a more accurate representation of the District’s financial position. No public comments were received. President Scadden closed the public hearing at 10:43 a.m.

c. Public Hearing on Proposed Fee Schedule for FY 2026

President Scadden opened the public hearing on the proposed FY 2026 fee schedule at 10:45 a.m. A quorum of four directors remained present. General Manager Cockrell presented the proposed fee schedule, noting it is unchanged from FY 2025 except for a 3% increase in the District's export fee, from \$0.206 to \$0.212 per 1,000 gallons, pursuant to Texas Water Code § 36.122(e-1). Eddie McCarthy provided public comments, stating that the increase is optional under the statute and not required. With no further comments, President Scadden closed the public hearing at 10:47 a.m.

d. Public Hearing on Proposed Budget for FY 2026

President Scadden opened the public hearing on the proposed FY 2026 budget at 10:49 a.m. A quorum of four directors remained present. General Manager Cockrell presented the proposed budget, which includes projected expenses of \$411,927, projected revenues of \$383,158, and a beginning cash balance of \$116,000—sufficient to cover the projected shortfall. He reported a projected 31.6% revenue increase over FY 2025, driven by higher production authorization fees, production fees, and short-term connection fees. The budget also includes: a 7% payroll increase for staff, as recommended by the Board Finance Committee; a 29.9% increase in professional services, primarily for new bookkeeping services; and a \$10,000 increase in the GMA 9 joint planning line item, due to upcoming DFC modeling. No public comments were received. President Scadden closed the public hearing at 10:55 a.m.

President Scadden temporarily adjourned the open meeting at 11:06 a.m. and reconvened it at 11:12 a.m. A quorum of four directors remained present: President Scadden, Director Phillips, Director Urie, and Director Van Ackeren.

6. Discussion and Possible Action

a. Presentation of Financial Audit Results for FY 2024 and Acceptance of Final Audit Report

This item was taken out of order due to time constraints. Archie Montemayor of Montemayor Britton Bender Carey, P.C. presented the results of the FY 2024 audit. He reported that the District's financial statements presented fairly in all material respects, with total assets of \$371,989 as of September 30, 2024, an increase of \$79,429 over FY 2023. He noted no audit difficulties or abnormalities. President Scadden thanked Mr. Montemayor and asked staff to coordinate future audits earlier in the calendar year. President Scadden moved to accept the FY 2024 financial audit report prepared by Montemayor Britton Bender Carey, P.C. as presented. Motion seconded by Director Phillips. Motion carried 4 Ayes – 0 Nays – 3 Absent.

b. Adoption of Proposed Amendments to District Rules

This item was taken out of order following the public hearing on proposed rule amendments. President Scadden proposed revising the wording of Rule 4.2(a) from "all new wells" to "applicable new wells" to reflect that Travis County's minimum lot size

requirements may not apply in every instance. General Counsel Ruiz responded to public comments, noting that the proposed language added to the District's definition of "recreational use" comes directly from Texas Water Code § 36.113(d)(5), which requires districts in the Hill Country PGMA to consider if the proposed use of water from a well will be used to provide water to a pond or lake to enhance the appearance of the landscape. Cole Ruiz reported that Texas Water Code § 36.113(d)(5) doesn't prohibit districts from issuing permits for the use of groundwater for vanity ponds, but instructs districts to consider that use when granting or denying an application. After discussion, the Board also agreed to cite the Atlas 13 floodplain map in Rule 4.2(b)(4), consistent with Travis County. There being no further discussion, Director Van Ackeren moved to approve the proposed amendments to the District Rules as discussed and revised. Motion seconded by Director Urie. Motion carried 4 Ayes – 0 Nays – 3 Absent.

c. Adoption of Proposed Amended Budget for FY 2025

This item was taken out of order following the public hearing on the proposed amended budget for FY 2025. There being no further discussion, a motion was made by Director Phillips to adopt the amended budget for fiscal year 2025. Motion seconded by Director Urie. Motion carried 4 Ayes – 0 Nays – 3 Absent.

d. Adoption of Proposed Fee Schedule for FY 2026

This item was taken out of order following the public hearing on the proposed fee schedule for FY 2026. Director Van Ackeren asked whether the District currently has any active export permits. General Manager Cockrell confirmed that no permittees are currently authorized to export groundwater outside of the District's boundaries. There being no further discussion, a motion was made by Director Van Ackeren to approve the proposed fee schedule for fiscal year 2026. Motion seconded by Director Urie. Motion carried 4 Ayes – 0 Nays – 3 Absent.

e. Adoption of Proposed Budget for FY 2026

This agenda item was taken out of order following the public hearing on the proposed budget for FY 2026. President Scadden reported that the Board Finance Committee met to help develop the draft proposed budget, and that the Committee recommended increasing District staff salaries by 7% to remain competitive and retain staff. President Scadden also reported that the 7% increase wasn't distributed evenly, that General Manager Cockrell distributed higher salary increases to other District staff than to himself to recognize their efforts. President Scadden raised concerns regarding District revenue and the processing of permit applications. General Manager Cockrell reported that the District experienced lower than expected revenue from production fees in FY 2025, in part because of drought conditions through much of the calendar year as permittees cut back on their production. General Manager Cockrell also reported that District staff have held off on outreach to unpermitted existing wells until after the District's My Government Online portal is active, to facilitate online submittal and processing. A motion was made by Director Van Ackeren to approve the proposed budget for fiscal year 2026

as presented. Motion seconded by Director Urie. Motion carried 4 Ayes – 0 Nays – 3 Absent.

f. **Approve Certification of Unopposed Candidates for the November 4, 2025 Directors Election**

President Scadden noted that four seats on the Board of Directors are up for election this year, including the seats currently held by Director Urie, Director Huber, Director Phillips, and Director Van Ackeren. General Manager Cockrell reported that each director up for re-election filed their completed *Application for a Place on the Ballot* in a timely manner, and that each candidate is unopposed. General Manager Cockrell reported that Board Secretary Van Ackeren completed a Certification of Unopposed Candidates, verifying that each candidate in the November 4, 2025 directors election is unopposed. A motion was made by President Scadden to accept the Certification of Unopposed Candidates for the November 4, 2025 directors election. Motion seconded by Director Phillips. Motion carried 4 Ayes – 0 Nays – 3 Absent.

g. **Adopt Order of Cancellation for the November 4, 2025 Directors Election**

General Manager Cockrell noted that as each candidate running for election in the November 4, 2025 directors election has been certified unopposed, the Board may now adopt an Order of Cancellation for the election. A motion was made by President Scadden to adopt the Order of Cancellation for the November 4, 2025 directors election. Motion seconded by Director Van Ackeren. Motion carried 4 Ayes – 0 Nays – 3 Absent. General Manager Cockrell reported that he will provide a copy of the order to Travis County for their records.

h. **Ratify First Amendment to Interlocal Cooperation Contract between the Southwestern Travis County GCD and SOAH**

President Scadden reported that the District's original interlocal agreement with the State Office of Administrative Hearings ("SOAH") for the Clancy Utility Holdings, LLC contested case matter was set to expire on August 31, 2025. President Scadden reported that the District needed to renew its interlocal agreement with SOAH for fiscal year 2026, and that SOAH's billing rates changed slightly. President Scadden reported that the fringe hourly rate for SOAH's administrative law judges increased from \$207.90 to \$211.20. General Manager Cockrell reported that the District's general counsel recommended approval of the contract, and that President Scadden executed the contract ahead of the Board meeting due to the timing required by SOAH. A motion was made by Director Van Ackeren to ratify approval of the first amendment to the interlocal cooperation contract with the State Office of Administrative Hearings. Motion seconded by Director Phillips. Motion carried 4 Ayes – 0 Nays – 3 Absent.

i. **Update on District Drought Stage & Conditions**

General Manager Cockrell presented a map reflecting drought conditions as of September 2, 2025, according to data from the U.S. Drought Monitor. General Manager Cockrell reported that drought conditions in the District have improved since the severe

thunderstorms in early July, and that 50% or more of the District's territory has been at or below D-0 for four consecutive weeks, which meets the threshold to lower the declared drought stage under the District Rules. However, General Manager Cockrell recommended remaining at D-1 due to aquifer conditions and drought outlook. No action was taken under this agenda item.

j. **Requests for Reduced Setbacks or Spacing for Proposed New Wells**

This agenda item was taken out of order due to time constraints. General Manager Cockrell presented a request for a reduced setback for a proposed domestic well at 21019 Lakeshore Drive. General Manager Cockrell reported that the lot size of this tract prevents compliance with the District's property line setback requirements, and that the property was originally platted in 1947, long before the District's creation. General Manager Cockrell presented a revised site plan stamped by a registered sanitarian showing the proposed well location on the property, with appropriate spacing from surrounding septic lines. A motion was made by Director Van Ackeren to approve the reduced property line setback request for the proposed new well to be located at 21019 Lakeshore Drive. Motion seconded by Director Phillips. Motion carried 4 Ayes – 0 Nays – 3 Absent.

k. **Proposed Revisions to District Personnel Policy**

General Manager Cockrell requested feedback on potential revisions to the District Personnel Policy to extend paid time off (PTO) benefits to part-time employees on a pro rated basis and shifting from per-pay-period accrual to lump-sum PTO awards at the start of the year. President Scadden expressed support for extending PTO but raised concerns about lump-sum awards. General Manager Cockrell reported that he will coordinate with the Board Administrative Committee to prepare draft revisions to the District Personnel Policy for Board consideration at their next meeting. No action was taken under this agenda item.

l. **Procuring Bookkeeping and Other Professional Services**

President Scadden first thanked Pete Golde for his long history of volunteering with the District and helping to prepare and keep the District's financial records. President Scadden reported that due to the increasing financial complexity of the District's bookkeeping needs, Pete Golde has recommended that the District engage a professional bookkeeper or CPA to meet the District's needs going forward. General Manager Cockrell reported that the District may also benefit from engaging a professional that could provide HR services, and that bookkeeping services would be engaged and selected through an RFQ process. General Manager Cockrell reported that he reached out to neighboring groundwater districts to ask for recommendations on bookkeepers familiar with working with political subdivisions. General Manager Cockrell reported that staff will work with the Board Finance Committee to prepare an RFQ for bookkeeping and CPA services, and optional HR services. A motion was made by President Scadden to authorize District staff and the Board Finance Committee to prepare and issue an RFQ for bookkeeping and CPA services. Motion seconded by Director Van Ackeren. Motion carried 4 Ayes – 0 Nays – 3 Absent.

m. Update on Clancy Utility Holdings, LLC Contested Case Hearing

General Manager Cockrell reported that the Clancy Utility Holdings, LLC contested case matter at SOAH remains in abatement as the parties negotiate settlement. Cole Ruiz reported that no substantive work has been required while the case has been abated. Eddie McCarthy provided public comments under this agenda item on behalf of Clancy Utility Holdings, LLC, and reported that Clancy's connected Texas Land Application Permit ("TLAP") at TCEQ reached settlement. Eddie McCarthy reported that Clancy Utility Holdings, LLC is continuing to negotiate the proposed pipeline route to receive water service from West Travis County PUA to the Mirasol Springs development, and that Travis County is also involved in this matter. No action was taken under this agenda item.

n. Update on Interlocal Cooperation Agreement with Travis County for FY 2025

General Manager Cockrell provided an update to the Board regarding the remaining balances available under the FY 2025 interlocal cooperation agreement with Travis County. General Manager Cockrell reported that the District last submitted an invoice to Travis County for expenses on September 5, for expenses through August 2025. General Manager Cockrell reported that \$16,158.15 of funding remains unspent under the FY 2025 agreement, all provided for groundwater studies and monitoring. General Manager Cockrell reported that staff at the District and Travis County previously hoped to use those funds to develop an online database to store the wealth of groundwater monitoring data the District has collected over the years. However, General Manager Cockrell reported that due to other demands staff have not managed to address that database project this fiscal year. General Manager Cockrell reported that staff are working with Travis County to develop and finalize an interlocal agreement with Travis County for FY 2026. No action was taken under this agenda item.

o. Update on Groundwater Management Area 9 (GMA 9) Joint Planning

General Manager Cockrell reported that GMA 9 met in Boerne, Texas on September 9 to discuss the updated Hill Country Groundwater Availability Model and next steps for joint planning. General Manager Cockrell reported that GMA 9 has to propose desired future conditions ("DFCs") for the next planning cycle by mid-2026, in order for each member district to hold the required public hearings and adopt final DFCs by the statutory deadline. General Manager Cockrell reported that there have been continued delays at TWDB in releasing the new Hill Country GAM for DFC modeling purposes, and so GMA 9 has decided to move forward with using the existing GAM in order to meet the required timeline to adopt final DFCs for this joint planning cycle. General Manager Cockrell reported that GMA 9 directed its consultant, Mr. James Beach, to begin conducting preliminary model runs using the existing Hill Country GAM. Rebecca Smyth provided public comments under this agenda item and reported that for FY 2027, staff at Travis County must prepare funding requests by March 2026, and raised the possibility of including funding for a more comprehensive model in that request. No action was taken under this agenda item.

7. Board Committee Reports

a. Finance

No action was taken under this agenda item.

b. Legislative

General Manager Cockrell provided an update on the status of HB 24, filed by Rep. Cody Harris during the second special legislative session, which did not pass. No action was taken under this agenda item.

c. Science

No action was taken under this agenda item.

d. Outreach

No action was taken under this agenda item.

e. Rules

No action was taken under this agenda item.

f. Administrative

No action was taken under this agenda item.

8. General Manager's Report

a. Permit Applications and Well Registrations

General Manager Cockrell reported that the District received one (1) new well registration, three (3) new well drilling authorization applications for new wells, two (2) well drilling authorization applications to plug or cap an existing well, three (3) operating permit applications, and six (6) long term water utility service connections in July. In August, General Manager Cockrell reported that the District received one (1) new well registration, five (5) new well drilling authorization applications for new wells, one (1) well drilling authorization application to plug or cap an existing well, and four (4) long term water utility service connections.

b. Groundwater Science and Monitoring Program

No action was taken under this agenda item.

c. Public Outreach and Education

No action was taken under this agenda item.

d. Other Informational Items of Board Interest

General Manager Cockrell reported that the District's revised groundwater management plan was approved by TWDB in August. General Manager Cockrell reported that staff

continue to work with My Government Online to configure the District's online permit processing portal. No action was taken under this agenda item.

9. Future Board Meetings and Agenda Items

a. Regular October Meeting

President Scadden reported that the next regular board meeting will be held on October 8, 2025, at 9:30 a.m. at the District office.

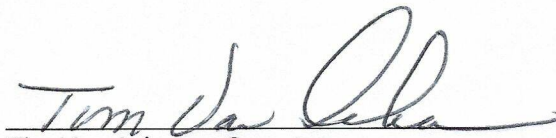
b. Future Meetings

General Manager Cockrel requested that the Board consider moving the monthly Board Meetings to Thursday rather than Wednesday to help the staff prepare for the meetings.

10. Adjourn

A motion was made by Director Van Ackeren to adjourn the open meeting at 12:27 p.m. Motion seconded by Director Phillips. Motion carried 4 Ayes – 0 Nays – 3 Absent.

PASSED, APPROVED, AND ADOPTED THIS THE 8TH day of October, 2025.


Tim Van Ackeren, Secretary